

## Department Review

# Park & Recreation

### Departmental Summary

The FY 2009 Proposed Budget for the Park and Recreation Department in the General Fund totals 737.17 FTEs and \$86.23 million. This reflects a net decrease of 32.77 FTEs and \$1.29 million, or a 4.3% decrease in the number of positions and a 1.5% drop in total General Fund dollars from FY 2008.

In addition to the seven Park and Recreation Divisions within the General Fund, Park and Recreation Department operations also include the Golf Course Enterprise Fund, Los Penasquitos

Canyon Preserve, and the Environmental Growth Funds.

### Effects of Budget Proposal

**Additions for New Facilities and Annualization of New Facilities.** Across the Park and Recreation Department, 10.38 FTEs with associated costs and non-personnel expenses totaling \$1.38 million have been included in the FY 2009 Proposed Budget for new facilities planned for opening during the fiscal year. Included are costs to annualize partial year funding

### SUMMARY OF BUDGET CHANGES

General Fund	FTE	PE	NPE	Total	Revenue
Fiscal Year 2008 Budget	769.94	\$ 50,619,878	\$ 36,900,263	\$ 87,520,141	\$ 20,953,228
Vacancy Factor (08)		1,016,633		1,016,633	-
Vacancy Factor (09)		(1,511,439)		(1,511,439)	-
Salary and Wage Adjustments		876,884		876,884	-
<b>Subtotal</b>	<b>769.94</b>	<b>\$ 51,001,956</b>	<b>\$ 36,900,263</b>	<b>\$ 87,902,219</b>	<b>\$ 20,953,228</b>
Transfer Biologist MSCP from CPCI	1.00	\$ 109,708	\$	\$ 109,708	
<b>Subtotal</b>	<b>1.00</b>	<b>\$ 109,708</b>	<b>\$ -</b>	<b>\$ 109,708</b>	<b>\$ -</b>
<b>Additions</b>	<b>1.00</b>	<b>96,957</b>	<b>111,366</b>	<b>208,323</b>	<b>71,953</b>
Revised Revenue Projections				-	147,000
Annualize FY 08 New Facilities	2.90	230,930	196,474	427,404	14,702
New Facilities to open in 2009	7.48	546,632	407,897	954,529	12,818
Brush Management - Grant Funds	13.00	832,187	1,249,128	2,081,315	1,475,000
Dredging of Children's Pool			40,000	40,000	
Terminal Leave		164,983		164,983	
Non-Discretionary Adjustments			812,433	812,433	
Reimbursement from TOT				-	2,324,770
<b>Reductions</b>	<b>(58.15)</b>	<b>(4,398,612)</b>	<b>(2,069,448)</b>	<b>(6,468,060)</b>	
<b>Subtotal</b>	<b>(33.77)</b>	<b>\$ (2,526,923)</b>	<b>\$ 747,850</b>	<b>\$ (1,779,073)</b>	<b>\$ 4,046,243</b>
<b>TOTAL</b>	<b>737.17</b>	<b>\$ 48,584,741</b>	<b>\$ 37,648,113</b>	<b>\$ 86,232,854</b>	<b>\$ 24,999,471</b>
<b>Difference from 2008 to 2009</b>	<b>(32.77)</b>	<b>\$ (2,035,137)</b>	<b>\$ 747,850</b>	<b>\$ (1,287,287)</b>	<b>\$ 4,046,243</b>



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for those facilities that opened during FY 2008. Savings may be experienced if actual facility opening dates occur later than currently estimated. Partial year funding in FY 2009 will need to be increased for annualization purposes in FY 2010.

### PARK AND RECREATION NEW FACILITIES FOR FY 2009

Facility	FTEs	Amount
Additional Open Space Acres	1.00	111,400
Black Mountain Neighborhood Park - Del Sur		36,412
Carson Elementary Joint Use	0.18	22,020
Fay Elementary Joint Use	0.20	20,158
La Mirada School Joint Use (Phase II)	0.10	10,078
Mira Mesa Community Park Field	1.50	261,154
New Facilities Citywide	4.50	493,307
<b>SUBTOTAL NEW FACILITIES</b>	<b>7.48</b>	<b>\$ 954,529</b>
Additional Open Space Acres	2.50	205,708
Florence Joyner Joint Use	0.05	4,677
Park De La Cruz Phase II	0.08	11,094
Porter Elementary School Joint Use	0.05	5,932
Rancho Encantada Neighborhood Park		64,598
Rodriguez School Joint Use	0.02	2,591
Teralta Park Comfort Station	0.20	15,863
Thurgood Marshall Joint Use		43,964
Torrey Del Mar Neighborhood Park		72,977
<b>SUBTOTAL ANNUALIZATIONS</b>	<b>2.90</b>	<b>\$ 427,404</b>
<b>TOTAL</b>	<b>10.38</b>	<b>\$ 1,381,933</b>

**Addition for Brush Management.** The FY 2009 proposed budget includes the addition of 13.00 FTEs and related costs of \$1.25 million in the Open Space Division to address brush management efforts. This is expected to allow the City to thin all 1,180 acres of the City's open space brush over the next two years. Separately, additional resources are included in the Fire-Rescue Department for six code compliance officers to monitor brush and weed abatement on private property. The Mayor announced the receipt of \$2.36 million in federal brush management grant funding. The City will pair those grant funds with \$3.9 million from the City's General Fund over the next two years.

Not all costs added to the General Fund budget will be funded by the grant, requiring the commitment of an additional \$606,315 in FY 2009 from the General Fund for this purpose. Additionally, following the exhaustion of the grant funds, continued efforts in this area will be fully borne by the General Fund. The Five-Year Outlook contained no additional resources for Brush Management.

### **Reduction of District and Area Managers.**

District and Area Managers supervise and coordinate recreation programs and activities, facility maintenance, and grounds maintenance functions in a district or area having more than one major recreation center or a combination centers, or a significant regional community recreation center. The FY 2009 Proposed Budget eliminates five District Managers and ten Area Managers, for a reduction of \$1.5 million. This brings the total number of these positions from 35.00 to 20.00, with affected areas including Balboa Park event and facility maintenance, Mission Bay Park support, recreation center operations, and community park maintenance. Service level impacts are likely given the magnitude of this reduction, and the key responsibilities and functions performed by these classifications.

**Closures of Pools.** The proposed budget eliminates 9.00 FTEs related to the operations of the City's pools, bringing budgeted positions from 50.74 to 41.74. This City will maintain a year-round, rotating schedule of pool operations, with only the Ned Baumer Aquatics Center to remain



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open all year, due to required operating arrangements with Miramar College. This is a change from the FY 2008 budget, which funded year-round schedules at four sites, including Vista Terrace, Memorial, Clairemont and Ned Baumer. The FY 2008 budget for the City's thirteen pools totals \$5.1 million (within two divisions), and generates estimated revenue of close to \$2 million. The Park and Recreation Department provided a memorandum describing the proposed staggered schedule for FY 2009, along with the associated net costs to extend operations at each of the twelve pool locations, which in total exceeds \$1.4 million. On average, approximately an additional \$117,000 per pool is needed to provide for year-round operations.

***Reduction for Day Use Only for Kumeyaay Campground.*** The proposed budget reduces two positions (1.00 Park Ranger and 1.00 Recreation Center Director I) and related NPE at Kumeyaay Campground at Mission Trails Regional Park that allows for overnight camping. Under this proposal, the campground will be open for day-use only for FY 2009. The reduction to the budget amounts to \$204,234, with a revenue reduction of \$24,940.

***Elimination of Skate Park Supervision.*** The proposed budget includes the elimination of 7.50 FTEs with associated costs of \$450,000, to eliminate the supervision provided at skate parks throughout the City. The IBA is concerned about the City's potential liability associated with a change to this practice, and understands that

an opinion from the City Attorney is forthcoming on this issue. This advice will be extremely helpful in evaluating this budget proposal.

***Reduction to Park Rangers.*** The proposed budget also eliminates 3.00 Park Rangers and 1.00 Senior Park Ranger (and associated non-personnel expenses) that have been frozen in the department's budget since FY 2004, reducing the budget by \$356,000. These positions (assigned to Black Mountain Park, Mission Trails Regional Park and the San Diego River Park) have remained unfilled for the past few years, so no significant change to service levels is expected. This reduction, along with the loss of the Campground ranger, will result in a change to total City park rangers from 34 to 27, including two assigned to and funded by the Los Penasquitos Canyon Preserve.

***Reduction for Reservoir Recreation.*** The Water Department operates the reservoir recreation program. The Reservoir Recreation Division within Park and Recreation provides funding from the General Fund to the Water Department for costs associated with recreational services offered at the City's reservoirs, without Water Department subsidies. Business Process Re-engineering (BPR) efforts have been under way for some time to determine the most efficient and effective way of providing these services to the community, and by which City department. Until the BPR process is completed, the reservoir recreation program continues to be operated by the Water Department, with costs associated



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with the recreation activities tracked and reimbursed from the City's General Fund.

Effective September 2008, the San Vicente Reservoir will close for four to six years due to dam reconstruction, impacting recreational services to be offered. It is anticipated that funding needed to reimburse the Water Fund for FY 2009 will be reduced by \$1.46 million. A minimal reduction of \$276,000 in revenues received from patrons is also expected.

### ENVIRONMENTAL GROWTH FUND

The Environmental Growth Funds (EGFs) are projected to receive a total of \$14.2 million in franchise fees from San Diego Gas & Electric, representing one-quarter of the total SDG&E franchise fees projected, in accordance with Charter Section 103.1a. The EGFs are broken out into a one-third and two-thirds portion, to reflect Charter provisions that up to two-thirds of revenues can be pledged for bonds for the acquisition, improvement and maintenance of park or recreational open space.

In FY 2009, the EGF (two-thirds portion) will retire the 1994 San Diego Open Space Facilities District No. 1 General Obligation Bonds through a payment of \$434,600, comprising \$410,000 principal and \$24,600 interest. To the extent funds exist over and above the requirements for

debt service, the Charter provides that they may be used for other purposes so long as it preserves and enhances the environment and is approved by the City Council. In fact, the Proposed Budget indicates that nearly \$9 million from the two-thirds are in excess and will be used for park maintenance.

Yet, the two-thirds portion also projects an ending balance in FY 2009 of over \$4.3 million. In addition, the Open Space Park Facilities Fund reflects a reserve for the ensuing year's interest payment of over \$500,000. Since the City will satisfy its bond obligations in FY 2009, and there are no future payments to reserve against, the IBA recommends that this funding be reprogrammed for other purposes consistent with the City Charter. This may include relieving expenses currently borne by the General Fund which preserve and enhance the environment. We suggest that the Park & Recreation Department and the CFO provide advice on and options for reprogramming these funds at the public budget hearing for this department.

As recommended previously, a long-term strategy for the EGF should be presented, including a discussion of any plans to finance further land acquisition and policies for fund balances and reserves, if necessary.

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## Issues for Consideration

- Further discuss impacts of Park and Recreation service reductions with departmental staff during budget hearings.
- Evaluate proposal for the elimination of supervision at City skate parks, considering forthcoming advice of the City Attorney related to possible increased liability.
- Reprogram \$4.8 million from the Environmental Growth Fund to support expenses in the General Fund that preserve and enhance the environment.

